

Administrative Determination (AD)
Documentation of Land Use Plan Conformance and NEPA Adequacy (DNA)
U.S. Department of the Interior - Bureau of Land Management
Anchorage Field Office

A. Describe the Proposed Action

Marathon Oil Company has proposed directionally drilling a development gas well on Federal Lease A-028083 in the Beaver Creek Gas Field. Drilling this well is necessary to further develop the known gas reserves in this Federal Unit. The well will be cased and the casing will be cemented from the total depth of the well to the surface to ensure the protection of subsurface resources. The well will be called the BC-10 and located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 34, T. 7 N., R. 10 W., S.M., about 11 miles north of Soldotna, Alaska. No new surface disturbance is planned. The well will be located on Pad # 3, an existing Marathon well pad. The well will be directionally drilled to a depth of 8,500 feet with a horizontal displacement of 1,464 feet. It will be completed in the Sterling and Beluga formations. Surface estate is owned by the United States and managed by the U.S. Fish and Wildlife Service. Mineral estate is owned by the United States and managed by the BLM.

Drilling is proposed to begin early February 2001 and should take 4-5 weeks to complete. Water used in the drilling process will come from an existing water well on Pad # 3. All drilling fluids will be contained within a closed steel tank system. The tanks contain equipment to remove the drilled cuttings. The cuttings and excess drilling fluid will be trucked to a Kenai Field Class II disposal well (KU 24-7). Completion fluids will be trucked to Well WD #1, an approved disposal well.

If the well is successful, the gas will be produced and processed through existing facilities on Pad #3. If the well is not successful, it will be plugged and abandoned in accordance with State and Federal regulations. Surface reclamation will occur when Pad #3 is no longer needed and will be in accordance with the requirements of the U.S. Fish and Wildlife Service.

B. Land Use Plan (LUP) Conformance

The BLM has not developed a land use plan for surface or subsurface oil and gas development in the Kenai Peninsula area. The U.S. Fish and Wildlife Service has identified and described oil and gas development in this area in the Kenai National Wildlife Refuge Comprehensive Conservation Plan (1985).

The Proposed Action is nearly identical to the Proposed Action described in EA No. AK-040-98-011. This EA addressed the impacts of drilling another BC-10 well. The FONSI/Decision Record was signed on March 20, 1998. The first BC-10 well was never drilled. The first BC-10 was nearly identical to this proposal. It was to be located about

75 feet north and east of the proposed location for this well and it proposed a different bottom-hole-location. The impacts are assumed to be nearly identical. Therefore, EA-040-98-011 provides a basis for a decision on the proposal in accordance with federal regulations (Title 43 CFR Part 1610.8(b)(1)).

C. Identify applicable NEPA documents and other related documents that cover the Proposed Action.

EA No. AK-040-98-011; Application For Permit to Drill, Beaver Creek #10, March 20, 1998.

D. NEPA Adequacy Criteria

- 1. Is the current Proposed Action substantially the same action (or is a part of that action) as previously analyzed? Is the current Proposed Action located at a site specifically analyzed in an existing document?**

As described above, the Proposed Action is nearly identical to that described in EA No. AK-040-98-011.

- 2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the current Proposed Action, given current environmental concerns, interests, and resource values?**

The alternatives analyzed in the referenced EA were; allow the drilling and deny the drilling. The EA was signed less than three years ago and the environmental issues and concerns have not changed.

- 3. Is the existing analysis valid in light of any new information or circumstances?**

There is no new information or circumstances that would effect the validity of the existing analysis.

- 4. Do the methodology and analytical approach used in the existing NEPA document(s) continue to be appropriate for the current Proposed Action?**

Yes.

- 5. Are the direct and indirect impacts of the current Proposed Action substantially unchanged from those identified in the existing NEPA document(s)? Does the existing NEPA document analyze site-specific impacts related to the current Proposed Action?**

The direct and indirect impacts identified in the referenced EA are the same as would be anticipated for the Proposed Action. The setting, effected resources, and location are so similar, that the existing EA provides a reasonable basis for making a decision on the Proposed Action.

- 6. Are the cumulative impacts that would result from implementation of the current Proposed Action substantially unchanged from those analyzed in the existing NEPA document(s)?**

Yes, they are identical.

- 7. Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current Proposed Action?**

The existing EA was written in consultation with the U.S. Fish and Wildlife Service, State of Alaska Department of Natural Resources, and State of Alaska Oil and Gas Conservation Commission. These same agencies, plus the Kenai Peninsula Borough, the Alaska Department of Fish and Game, and the Alaska Department of Environmental Conservation have also been consulted regarding the current proposed project.

E. Interdisciplinary Analysis:

See attached NEPA routing sheet and specialists' worksheets.

F. Conclusion

Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan or is in accordance with federal regulations (Title 43 Code of Federal Regulations, Part 1610.8 (b)(1)) and that the NEPA documentation fully covers the Proposed Action and constitutes BLM's compliance with the requirements of NEPA.

/s/ Peter J. Ditton
Anchorage Field Manager

January 31, 2001
Date